FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 148 *31 July 1979*

INTER-AMERICAN AFFAIRS

LAES Opens 4-Day Meeting in Caracas; 'Priority on Nicaragua' A 1
OAS Secretary General Extends Good Wishes to New Nicaraguan Government A 1
Japanese Foreign Minister To Make Latin American Tour A 2
Briefs: Malaria Statistics; Latin American Parliament Chairman; New COMUNBANA Manager A 2

ARGENTINA

CLARIN: Ridley Meddled in Domestic Affairs [27 Jul] B 1
Ridley Concerned Over CLARIN Report B 2
Foreign Minister Optimistic About Yacyreta Project B 2
HERALD: Sandinist Victory May Encourage Montoneros [24 Jul] B 3
Martinez de Hoz Says Economic Policy To Be 'Reconsidered' [HERALD 27 Jul] B 4
Judge Approves Appeal Request by EL LITORAL Director B 4

BRAZIL

Oil Imports From Venezuela To Be Increased D 1
Increase of 20,000 Barrels Daily D 1
President Approves $100 Million Loan for Nuclear Plants D 1
General Cavalcanti Explains Operation of Itaipu Dam D 1
Alcohol Distillery To Be Set Up in Manaus D 2
O ESTADO Doubts Effectiveness of Energy Commission [O ESTADO DE SAO PAULO 26 Jul] D 2
Prisoners' Hunger Strike Spreads to Recife D 3
Rio de Janeiro Teachers Call Another Strike D 3

CHILE

Hearing on U.S. Extradition Request Suspended 1 Week E 1
Exiles' Relatives Request Their Return E 1
Government Sends Food, Clothing, Medicine to Nicaragua E 1
President Sees Traitors Seeking Solutions Abroad E 1
Briefs: Export-Import Figures E 2

ECUADOR

Decree Calls for Installation of Chamber of Representatives G 1

PANAMA

Trade Union Leaders Meet With Torrijos, Discuss Nicaragua N 1
PSOE Leader Arrives, Meets Officials N 1
Spadafora Gives Speech on Returning From Nicaragua N 2
U.S. Warned Against 'Friction' in Canal Negotiations N 3
[LA ESTRELLA DE PANAMA 24 Jul]
Liberal Party Protests Treaty Amendments N 4
Canal Treaties Opposition Scored N 4
[LA REPUBLICA 29 Jul]
Columnist Praises President Carter's Energy Speech N 5
[CRITICA 24 Jul]
Briefs: Increased Bank Assets N 5

CENTRAL AMERICA

COSTA RICA

President Discusses Domestic Normalization Plans P 1
Calderon Fournier Holds Talks With Mexican Foreign Secretary P 2
Commission Created To Study Central American Trade P 2
Briefs: MCRL Elections P 2

EL SALVADOR

PDC's Morales Erlich Returns From Exile P 3
FPL Guerrillas Kill Policeman in Cojutepeque P 3

NICARAGUA

Government Requests Membership in Nonalined Movement P 3
Panamanian Military Group Arrives To Advise Militia P 4
Spanish Socialist Leader Arrives in Managua P 4
Government Sends Delegation to LAES Meeting in Venezuela P 4
500 National Guardsmen Surrender to Hondurans July 28-29 P 4
Managua Radio Quotes Honduran Spokesman on Neutrality Policy P 5
Government Members Discuss Immediate Needs, Reconstruction P 5
Ortega on Food, Economy P 5
Robelo on Reconstruction P 6
Cuadra on Immediate Economic Needs P 6
PSN Secretary General Comments on Party's Contribution to Victory P 7
[East Berlin]
Weekly Interviews Sandinist Leader Rogelio Mercado P 8
[Algiers APS]

CUBA

Santiago Examines Possibility of Aid to Nicaragua Q 1
Health Workers Brigade Praised Q 1
Miret Opens Nonalined Preparatory Meeting Q 1
Jordan Will Attend Summit Q 2
Afghanistan's Taraki Will Attend Summit Q 2
Rodriguez Returns After CEMA Summit Q 2
Garcia Frias Meets With Libyan Official Q 2
Chemical Industry Minister Received by Pakistani President Q 3
Pakistani Minister Holds Talks Q 3
Envoy to Lebanon Expresses Condolence Concerning PLO Death Q 3
Castro Receives Anniversary Message From Soviet Leaders Q 3
Briefs: Two Cooperatives Q 3

GUYANA

PNC Officials Denounce Counterrevolutionary Actions T 1
[ADVOCATE-NEWS 25 Jul]
Working People's Alliance To Become Political Party T 1

OTHER COUNTRIES

BOLIVIA

Final Election Figures Released; Siles Zuazo Declared Winner V 1

COLOMBIA

Government Refuses To Replace Ambassador To Nicaragua V 1
Senator Santofimio Botero To Be Jailed V 1
Urban Transit Sector Threatens Stoppage V 1

DOMINICAN REPUBLIC

Minister Sees Need To Purge Foreign Service V 2
124 Nicaraguans Seek Refuge in Managua Embassy V 2

PERU

Marxist-Leninist Groups Form Anti-Imperialist Front V 2
[EL COMERCIO 23 Jul]

VENEZUELA

Herrera No Danger To Freedom of the Press V 3

LAES OPENS 4-DAY MEETING IN CARACAS; 'PRIORITY ON NICARAGUA'

PA310235 Madrid EFE in Spanish 0029 GMT 31 Jul 79 PA

[By Rafael Higueras]

[Text] Caracas, 30 Jul (EFE)--The meeting of the Latin American Council, the highest body of the Latin American Economic System (LAES), began here today with the unanimous applause of its delegates for Alfonso Robelo, member of the Nicaraguan reconstruction junta. Robelo heads the Nicaraguan delegation to the LAES meeting, which ends Thursday. The agenda was changed at the last minute "to give priority to the subject of Nicaragua's reconstruction." For this reason, the Latin American Council will hold a plenary session early tomorrow to hear Robelo's report on the situation and needs of his country.

The meeting was officially opened by Venezuelan President Luis Herrera Campins, who said he is certain that "its results will be in line with the hopes of Latin America." After describing LAES as the greatest Latin American political and economic forum, Herrera issued a double appeal for the reconstruction of Nicaragua. He issued the first appeal to all governments and peoples and the second to the Latin American Council so it will create an action committee to organize the aid. The Venezuelan president took the occasion to harshly attack the United States, whom he blamed for promoting to a great extent the current policy against OPEC. He also accused the international communications media of biased reports on OPEC, "sometimes done deliberately." He defined OPEC as "the organization most suitable for the defense of the interests of the Third World countries." He said the United States is saving its petroleum reserves for the future while it currently wants to buy oil from OPEC at low prices.

Herrera's speech followed those by LAES President Guillermo Walter Klein of Argentina and LAES Permanent Secretary Jaime Moncayo of Ecuador. Moncayo, whose term ends in October, harshly criticized the international economic order. He said a system imposed by the industrialized countries, based on undervalued raw materials whose apparent inexhaustibility led to waste and frenetic consumption, could not continue. Walter Klein said that "we are here to decide on ways to promote cooperation among ourselves and to contribute to it in other regions." During its 4-day meeting LAES will discuss, among other things, its policy toward the European Economic Community, aid for Nicaraguan reconstruction and its cooperation with Panama once it assumes sovereignty over the canal. LAES will also elect a new permanent secretary (to replace Moncayo) for the next 4 years.

OAS SECRETARY GENERAL ESTENDS GOOD WISHES TO NEW NICARAGUAN GOVERNMENT

PA252355 Panama City ACAN in Spanish 2030 GMT 25 Jul 79 PA

[Text] Managua, 25 Jul (ACAN-EFE)--OAS Secretary General Alejandro Orfila today extended to the Nicaraguan Government of National Reconstruction his wishes for the complete success of the revolution, following Gen Anastasio Somoza Debayle's defeat. Orfila's message was delivered by Juan Mimo, who is heading a special OAS mission that will cooperate with the Nicaraguan Government for an indefinite period in an attempt to solve its immediate problems.

The ambassador indicated here that the OAS general secretariat had sent a message to all governments of Latin America and the rest of the world calling for brotherhood and for support for the task of reconstructing this country, whose most important cities are in ruins and whose economy is bankrupt as a result of the recent civil war.

"We must all help to guarantee the peace, the sense of social justice and the respect for human rights that will define the future for these people," the OAS envoy said. The high-level inter-American mission also includes Ambassadors Sergio Labarca and Newton Cordeiro, who will work with the Sandinist government in obtaining food and medicine during the emergency that the country is experiencing. Mimo also said that with the assistance of the Red Cross, it had been possible to have a small shipment of food sent from Guatemala over the weekend on the plane which brought new Central Bank President Arturo Cruz to Nicaragua. "We have no doubt that friendly governments will take immediate action, as circumstances demand, to marshal international assistance for the long-suffering people of Nicaragua, the OAS ambassador concluded. OAS Assistant Secretary Jorge Luis Zelaya Coronado also sent a message expressing solidarity with the Nicaraguan Government.

JAPANESE FOREIGN MINISTER TO MAKE LATIN AMERICAN TOUR

PY272020 Buenos Aires TELAM in Spanish 1810 GMT 27 Jul 79 PY

[Text] Tokyo, 27 Jul (TELAM, LATIN-REUTER/DPA)--Japanese Foreign Minister Sunao Sonoda will leave on 12 August for an official tour of six Latin American countries, among them Argentina. The foreign minister will meet the presidents of Argentina, Mexico, Brazil, Peru, Chile and Venezuela to exchange points of view regarding international and bilateral problems and the future relations between Japan and these countries. Sonoda will visit Argentina from 22 to 26 August.

BRIEFS

MALARIA STATISTICS--It has been reported at the meeting of health ministers and health directors of Central America and Panama that a total of 52,530 malaria cases were detected in El Salvador during 1978, representing an increase of 63 percent over 1977. An increase of 77 percent was reported for Guatemala. The cases recorded in Costa Rica and Panama were 313 and 263 respectively. There was a slight drop in malaria cases in Honduras and Nicaragua. [San Salvador LA PRENSA GRAFICA in Spanish 22 Jul 79 pp 3, 7 PA]

LATIN AMERICAN PARLIAMENT CHAIRMAN--Bogota--The chairmanship of Latin American Parliament has been bestowed upon Colombian Dr Jorge Mario Eastman, incumbent chamber of representatives president. The new chairman was chosen during a meeting in Mexico City. [Bogota Domestic Service in Spanish 1730 GMT 19 Jul 79 PA]

NEW COMUNBANA MANAGER--Former Panamanian Agriculture Minister Dr Alfredo Orange was appointed general manager of the Multinational Banana Marketing Corporation (COMUNBANA) during a meeting of the organization held in Panama City on 20 July. [Panama City LA ESTRELLA DE PANAMA in Spanish 22 Jul 79 pp 1, 26 PA]

CLARIN: RIDLEY MEDDLED IN DOMESTIC AFFAIRS

PY271845 Buenos Aires CLARIN in Spanish 27 Jul 79 p 2 PY

[By special correspondent Eduardo van der Kooy aboard a state airline plane]

[Text] While the Fokker F-28 airplane was being tossed around by turbulence, Nicholas Ridley held talks with the journalists during which he admitted, among other things, that the restitution of the Malvinas Islands to Argentina is still a subject for discussion, echoing the opinion voiced by laborite Edward Rowlands in 1977.

The British Foreign Secretary did not wish to discuss the issue any further and chose to put an end to the journalists' insistence with a categoric refusal. However, Ridley surprised everyone when he praised the system prevailing in the Malvinas: "It is open and they choose their own councilmen. Therefore the Falkland Islands Committee [given in English] can develop its political ideas." Ridley did not stop there and went on into a field which is much broader than the bilateral dispute over the archipelago, by making references to Argentine domestic affairs:

[Question] Have you received requests for the economic reactivation of the islands?

[Answer] The agriculture and livestock industry (sheep raising) is essential for the islands. I investigated and it is my belief that it must be improved, especially with regard to grazing lands because continued harvesting has been slowly depleting them.

[Question] Did you hear about the political problems of the Malvinas?

[Answer] Yes, I did discuss political problems a little.

[Question] Did these discussions have to do with the activity of the Falkland Islands Committee?

[Answer] I believe that the Falkland Islands are a true and effectively democratic country. It is an open system where the councilmen are chosen and within this system the committee can develop its political ideas. Perhaps the good Argentina can follow the example of the islands, where no one is arrested for political reasons and human rights are being respected.

[Question] Could you give us an estimate of what the maintenance of the Malvinas costs the United Kingdom?

[Answer] The figures are published in England but I cannot quote each year's figures because they vary a great deal. Many islanders say that what they pay the government in taxes is more than what they receive, but I believe that the government gives more than it receives from the islands.

[Question] Do you believe that negotiations on the Malvinas must be reactivated?

[Answer] Many islanders believe that these negotiations must be reactivated. But I wish to make it clear that the objective of my visit to the Falkland Islands was not to talk but to listen to what the people had to say.

[Question] If a journalist in London should ask you about the nationality of the Malvinas, what would you answer?

[Answer] That they are British. I would also like to point out that an Argentine journalist would get the same answer in Buenos Aires.

[Question] And what about the position of cooperation and nonconfrontation prevailing in the islands so far? Is it still in effect?

[Answer] The answer is up to the islanders. Some of them are satisfied with the cooperation, others are not.

[Question] Do you have any idea of how many islanders are in favor of cooperating with Argentina and how many are against?

[Answer] I did not have time for a democratic consultation to ask them about it.

[Question] Will concrete issues of bilateral cooperation be discussed during the negotiations of the coming days?

Ridley clarified that these just will be meetings, not negotiations. Then he answered: "It would be better to wait and talk with the officials of the Foreign Ministry, if we get there in time..."

Ridley Concerned Over CLARIN Report

PY271847 Buenos Aires TELAM in Spanish 1644 GMT 27 Jul 79 PY

[Text] Buenos Aires, 27 Jul (TELAM)--UK Foreign Secretary Nicholas Ridley wishes to clarify that it was not his intention to make any reference to local domestic affairs during his stay in Argentina and is deeply concerned over certain remarks attributed to him by a newspaper.

This statement was released to journalists in the presence of Mr Ridley by an official of his entourage who also indicated that to preclude any possible misunderstandings stemming from the oral rendering of the statement, Secretary Ridley himself had drawn up the text which was now being delivered to the press. The meeting between Foreign Relations Under Secretary Col Carlos Cavandoli, Foreign Secretary Ridley and their advisers lasted approximately 90 minutes and ended after 1300. The Foreign Ministry had previously conveyed the desire of the visitor to make a statement to at least two journalists with the understanding that there would be no questions. This was finally accomplished by means of a written report. The officials left immediately for a downtown hotel to attend a luncheon which Colonel Canvandoli was hosting in honor of the British Foreign Secretary. In the meantime the Foreign Ministry announced that the joint communique would be released this afternoon.

FOREIGN MINISTER OPTIMISTIC ABOUT YACYRETA PROJECT

PY301850 Buenos Aires CLARIN in Spanish 1738 GMT 30 Jul 79 PY

[Excerpts] Buenos Aires, 30 Jul (LATIN)--Foreign Minister Carlos Pastor today expressed optimism regarding the results of the Argentine-Paraguayan negotiations on the Yacyreta hydroelectric dam, and he will inform President Videla and the military junta on this during a top-level meeting they will hold this afternoon. If the countries come to an agreement, the documentation on the project should be presented to International Development Bank (IDB) authorities before 14 September so this organization may confirm a $250-million credit for financing the project. Well-informed sources have reported that Argentina has set mid-August as a deadline for reaching an agreement, otherwise it will decline to carry out the Yacyreta project and will seek the fulfillment of others in order to cover the established energy program.

HERALD: SANDINIST VICTORY MAY ENCOURAGE MONTONEROS

PY250314 Buenos Aires HERALD in English 24 Jul 79 p 10 PY

[Editorial: "A New Leftwing Push?"]

[Text] The replacement of the brutal Somoza regime by the still mixed Sandinista government in Nicaragua has naturally given a shot in the arm to the Latin American revolutionary left, which has enjoyed its first real triumph since the Cuban revolution turned sharply left almost twenty years ago. Having won the military fight against Somoza, the Marxists leading the Sandinistas should have little trouble in winning the political struggle that is now beginning for total contr[illegible] of the country. Virtually everything the U.S. State Department does to support such democratic forces as exist in the new government will probably prove to be the benefit of the Marxists, to whom the humanitarian Jimmy Carter administration is merely an amiably grinning mask hiding the face of traditional "U.S. imperialism."

Reports that the nomadic leaders of the international left are converging on Managua should cause no surprise. They have in the past gathered in Santiago, Chile, when Allende's government was in office, in Lisbon, when the leftwing soldiers made their grab for power, and can be relied on to turn up anywhere where revolutionary winds throng the air. Prominent in this troupe--a strange assortment of hired killers, visionaries, spoiled children, grant-possessi[illegible] academics, and intellectuals--is the Montonero Caudillo Mario Firmenich and his follower[illegible] They are reportedly in Managua where they are, once again, studying the tactics that [illegible]e taken the extreme left to the very verge of absolute power in another Latin American country.

The lessons of Nicaragua are unlikely to be really applicable to Argentina, whose armed forces are a much more formidable proposition than Somoza's National Guard--apart from anything else--but the highly unlikely possibility of the Montoneros discovering the magic formula that will enable them to cut their way through to Government House has nothing to do with the real dangers implicit in Firmenich's pilgrimage. These are that the Montoneros, and others like them, will think that there is a possibility of repeating the Sandinista triumph here, and will set about trying to do so. There is precious little chance that they would succeed, no matter what the political climate here, but any new failure would be likely to be just as bloody and perverting as their previous one was. Not only would many members of the armed forces and "class enemies" or "representatives of imperialism" die or be maimed, and many more young people attracted by fantasies of "revolution" die with them, but the forces that are unleashed during terrorist onslaughts are almost entirely evil. Although most of the Montonero or ERP terrorists that remained here have been either killed or captured, the terribly harmful effects of the uprising persist, poisoning the minds of many people and preventing a return to normal civilized life. The reported announcement by Firmenich that his movement will mount another "offensive" this year may be just simple bragging. But it would be foolish to rely on it. Despite their glib talk of "objective revolutionary conditions," the extremist leaders are anything but rational in their assessment of their chances of success, and inspired by events in Nicaragua may feel tempted to start a new campaign here whose effects would be sure to be tragic. The security forces can be expected to be on the alert. The rest of the country's leaders, however, should be careful not to say or do anything that would give the Montoneros the slightest encouragement by persuading them that a potentially "revolutionary situation" exists.

MARTINEZ DE HOZ SAYS ECONOMIC POLICY TO BE 'RECONSIDERED'

PY271807 Buenos Aires HERALD in English 27 Jul 79 p 1 PY

[Text] The economic policy will be "reconsidered" in the light of the experience of the past three years, and indexation will be gradually dropped, Economy Minister Jose Alfredo Martinez de Hoz revealed at a luncheon given yesterday by the business and marketing executives' association.

However, it will not be possible to bring public investment down to a level compatible with the country's economic resources (i.e. significantly reduce inflation) before 1981, he said, adding that he had been obliged to use a "gradualist" approach in the fight against inflation because of projects inherited from the previous government and other long-postponed ones (telephones, roads, energy) that the public wants and needs.

The economy minister spent more than an hour answering written questions presented by those present. He energetically denied that recent statements by Treasury Secretary Juan Alemann about "living with inflation" implied that the economic team was not determined to fight it. However, his statements on the practice of indexation contradicted those of his treasury minister, who had claimed that indexation is a "technology" for living with inflation, and that de-indexation would accelerate rather than slow down the increase in inflation.

Terming indexation a "factor that keeps inflation going," he said that the economic team has realized "from the beginning" that if it is not limited to specific cases and becomes generalized "there is a danger of inflation becoming institutionalized."

He said that "we will have to begin to de-index ourselves gradually, that is, gradually de-index the economy in cases which do not respond to reality."

He also admitted that denationalization of state firms has not proceeded fast enough.

"Most of the effort (to fight inflation) has already been made," he said, and singled out public investment, foreign trade--which is responsible for "over 90 percent" of the printing of extra money necessitated by the influx of foreign currency it brings--and indexation as inflationary factors in the economy.

"We believe that before the end of the year we should reconsider the economic programme in its present stage and see from here on how we should approach the next stage," he said.

JUDGE APPROVES APPEAL REQUEST BY EL LITORAL DIRECTOR

PY271440 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1105 GMT 27 Jul 79 PY

[Excerpt] Santa Fe, 27 Jul (NA)]-Dederal Judge Miguel Quirelli approved the request for appeal and anullment of arrest warrant ordered against the director of EL LITROAL, Riobo Caputto, and decided to submit the proceedings to the Rosario Federal Chamber of Appeals. The appeal was submitted by the defense attorney, Raul Fossero, who yesterday committed himself to appearing before the nation's supreme court.

Caputto has been accused of violating the law of national security and is currently under house arrest.

OIL IMPORTS FROM VENEZUELA TO BE INCREASED

PY271348 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 27 Jul 79 PY

[Excerpt] There is news circulating in Brasilia that Brazil will receive more petroleum from Venezuela. (Carlos Rodrigues) now gives more details on the subject from Brasilia.

[Begin Rodrigues relayed report] Venezuela will increase exports of petroleum to Brazil. The agreement was signed yesterday by Foreign Minister Saraiva Guerreiro and Venezuelan officials. After signing other agreements in the scientific and technological areas, the Brazilian foreign minister will return to Brasilia today. [end relayed report]

Increase of 20,000 Barrels Daily

PY271738 Porto Alegre Radio Gaucha in Portuguese 1545 GMT 27 Jul 79 PY

[Text] Venezuela will supply 20,000 more barrels of petroleum daily to Brazil beginning in 1980. This report has been released by Venezuelan Energy Minister Humberto Calderon who added that the increase was agreed upon at a meeting between Brazilian Foreign Minister Saraiva Guerreiro and the Caracas government. Venezuela currently supplies 30,000 barrels daily to Brazil.

PRESIDENT APPROVES $100 MILLION LOAN FOR NUCLEAR PLANTS

PY310154 Brasilia Domestic Service in Portuguese 2200 GMT 30 Jul 79 PY

[Text] The president of the republic has authorized the finance minister to issue the federal government's guarantee for a $100 million loan to be obtained by the Brazilian Power Companies, Inc, from a consortium of American banks. This loan will be earmarked this year for the Angra dos Reis nuclear plants and for the high power transmission system.

GENERAL CAVALCANTI EXPLAINS OPERATION OF ITAIPU DAM

PY272130 Paris AFP in Spanish 0206 GMT 27 Jul 79 PY

[Text] Rio de Janeiro, 26 Jul (AFP)--Gen Jose Costa Cavalcanti said here today that Itaipu can function normally without Corpus but that the construction of the Corpus Dam will permit more flexibility in the operation of the Brazilian-Paraguayan Itaipu hydroelectric project.

The president of the Brazilian-Paraguayan enterprise, which is building the Itaipu Dam--which will have a power output of 12.6 million kilowatts--on the Parana River, made these remarks during a conference held at the engineers club here tonight. General Costa Cavalcanti announced that the filling of the dam will begin during the second half of 1982 when the Parana River diversion canal will be closed and that this operation will take between 12 and 14 days. He said that a height of 100 meters for the Corpus Dam (Argentine-Paraguayan project) would not affect the operation of Itaipu, but that if this height were to be increased, Itaipu would lose 100,000 kilowatts per meter and Brazilian territory would be flooded. Therefore, he said that if the height of the Corpus Dam were increased to 110 meters, Itaipu's power would be reduced by 1 million kilowatts and that any increase in Corpus' height must be compensated for.

He also said that since the navigation conditions of the Parana River will be affected during the filling of the dam, this could be included in the compensation for an eventual elevation of the Corpus height. He emphasized that Itaipu can function effectively without Corpus, because when Itaipu was designed the intention to build the Argentine-Paraguayan dam had not yet been announced. He said, however, that the construction of Corpus will permit more flexibility in the operation of the Brazilian-Paraguayan dam.

The president of the Itaipu binational enterprise also said that the study of navigation possibilities of the river in the dam area has been completed and that it will soon be submitted to the Brazilian and Paraguayan governments so that they might chose one of the four options, as well as the execution date. He also stated that the Itaipu timetable is ahead of schedule and that since the construction of the dam began, the Itaipu binational enterprise has made purchases in Paraguay of $500 million, of which $236 million were made in 1978. He added that the Itaipu cost of construction, considering the price in January 1979, will be $10 billion, of which $7.167 billion has been confirmed by signed contracts and that $2.7 billion had been invested as of June.

General Cavalcanti said that the price per kilowatt of Itaipu will be approximately $1,000, including $200 per kilowatt for the cost of the transmission lines. In conclusion, he said that the Itaipu binational enterprise will begin in 1983 to pay the loans obtained with the guarantee of the Brazilian and Paraguayan governments, which have considered the construction of this dam in the Alto Parana area a priority.

ALCOHOL DISTILLERY TO BE SET UP IN MANAUS

PY301700 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 30 Jul 79 PY

[Text] Within 4 months Manaus will have a small alcohol distillery that will initially produce 1,000 liters of alcohol to be extracted from sugar cane, mandioca and sweet potatoes. The installation of the plant will require an investment of approximately 5 million cruzeiros. Experiments on the use of (?vegetal oil) to substitute for diesel oil will also be intensified in Amazonas.

O ESTADO DOUBTS EFFECTIVENESS OF ENERGY COMMISSION

PY271243 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 26 Jul 79 p 3 PY

[From the "Notes and Information" page: "Leadership Missing in Crisis"]

[Excerpt] The secrecy which surrounded the meetings of the National Energy Commission [CNE] and the recommendations which came out of those meetings tend to raise doubts about the reasons for the existence of the commission. The public, i.e., the millions of people who have no access to the secrecy of the gods, has felt since President Figueiredo made his speech creating the CNE, that the 13 representatives of the oil cartel meet from time to time to raise the prices of crude oil while the 17 illustrious Brazilian citizens who are members of the CNE meet every 2 weeks to raise the prices of oil byproducts. Nearly 1 month after the declaration that we were on the verge of going into a "wartime economy," the adopted or suggested measures do not coincide with the clamor about the seriousness of the situation and the creation of the CNE. Because, let us agree that to hold the nation in suspense for days just to say at the end that service stations will close 1 more day per week, that the prices of all kinds of energy products will increase does not mean much in view of the seriousness of the crisis.

These measures were taken as a matter of routine during the Geisel government when the president merely heard his ministers and advisers separately and made his overly wise decisions only to have the disastrous results we now have.

We could well say, and there are several members of the CNE who adopt this attitude, that it is better to delay drastic measures than to adopt hasty measures, without taking time to carefully weigh the overall repercussions of each measure. We agree with this way of thinking and supported it on the occasion of the meeting of the Economic Development Council in which the creation of the CNE was decided (of course, before Helio Beltrao was appointed debureaucratization minister). Trying to have a total solution is one thing and quite another to procrastinate and to allow, between CNE meetings, each minister to produce his pessimistic report about the future of the country, thus leaving private enterprise impatiently waiting for directives as to how the "wartime economy" will be coordinated and what shape that economy will take. Everything indicates that the government is procrastinating, with damaging consequences for the entire society. Just now, for instance, the country watches in wonder the rapid disappearance of diesel oil from the market. Some people are talking about substantial supply cuts adopted in secret by energy authorities to force savings; other people are talking about illegal hoarding to take advantage of the next price increase which is to be announced by the government. At any rate, the spectacle of the service station lines is the social consequence of the lack of coordination plaguing the government.

PRISONERS' HUNGER STRIKE SPREADS TO RECIFE

PY310332 Porto Alegre Radio Guaiba in Portuguese 0200 GMT 31 Jul 79 PY

[Text] Recife--Eight of the 11 political prisoners of the Barreto Campelo Jail, located on Itamaraca Island, went on an indefinite hunger strike today to protest the government's proposed amnesty, which will not benefit them, and to express their solidarity with their fellow prisoners in Rio de Janeiro. In a document released to the press, the political prisoners state that they regard themselves as being punished twice since, apart from being excluded from the amnesty, almost all of them have endured [illegible] years of undeserved imprisonment.

RIO DE JANEIRO TEACHERS CALL ANOTHER STRIKE

PY310400 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 21 Jul 79 PY

[Text] Rio de Janeiro--Teachers of the state system and of 64 municipalities of Rio de Janeiro state today decided to call another general strike, the second in the past 5 months. The decision was made by acclamation at a meeting held this afternoon at the (Maxnou) Club. Leaders of the state association of teachers have already held a number of meetings to raise funds to support the strike, which will last a long time, since neither the state nor the municipalities have been able to keep their commitments. The strike will start Wednesday, when the teachers are supposed to return to class after the July recess. If this new strike lasts long, the 1979 school year in Rio de Janeiro will have to be completed next year, since the law demands that each student report to class for 188 days, and 12 days have already been lost as a result of the strike last March. Arnaldo Niskier, education secretary of Rio de Janeiro state, deplored the teachers' decision, especially because this was a decision made by a few. He made it clear, however, that he would punish the strikers.

HEARING ON U.S. EXTRADITION REQUEST SUSPENDED 1 WEEK

PY302201 Paris AFP in Spanish 2120 GMT 30 Jul 79 PY

[Excerpts] Santiago, Chile, 30 Jul (AFP)--It was officially announced here today that the public hearing of three Chilean officers whose extradition is being requested by the United States was suspended for a week. The hearing was suspended until next Monday because of illness affecting Jose Maria Eyzaguirre, president of the first court, where the hearing is taking place.

EXILES' RELATIVES REQUEST THEIR RETURN

PY250332 Paris AFP in Spanish 0110 GMT 25 Jul 79 PY

[Text] Santiago, Chile, 24 Jul (AFP)--Relatives of Chilean political exiles today asked the military government to allow them to return to the country. The relatives recalled that the former leftist leaders and political militants had to go into exile approximately 6 years ago when the current military junta government overthrew the late socialist President Salvador Allende.

In a note submitted to Foreign Minister Hernan Cubillos, 130 members of the Committee for the Return of Exiles indicated that Chile has signed several agreements which establish "the right of each man or woman to live in his or her fatherland." The note adds: "This basic right has not been respected by the Interior Ministry." Among the agreements, Chile has signed, the committee mentions the American Convention and the Universal Declaration on the Rights of Man. According to the statistics of the UN's International Committee for European Migration, 20,000 Chileans have obtained political asylum in Europe, the United States and Latin American countries during the last 5 years.

GOVERNMENT SENDS FOOD, CLOTHING, MEDICINE TO NICARAGUA

PY302223 Buenos Aires LATIN in Spanish 2145 GMT 30 Jul 79 PY

[Text] Santiago, Chile, 30 Jul (LATIN)--The Foreign Ministry reported here today that a Chilean Air Force transport plane will leave for Nicaragua tomorrow, carrying aid for that country in accordance with instructions given by President Augusto Pinochet. According to the official communique, the aircraft will carry medical personnel, food, medicine, clothing and construction material which will be delivered to Nicaraguan officials by Jaime Lagos, director of the Foreign Ministry's Bilateral Policy Office. The shipment was ordered last Friday, 24 hours after the Chilean Government officially recognized the Nicaraguan Government of National Reconstruction.

PRESIDENT SEES TRAITORS SEEKING SOLUTIONS ABROAD

PY301807 Santiago Chile Diplomatic Information Service in Spanish 0135 GMT 28 Jul 79 PY

[Text] "The traitors who seek solutions abroad for national problems are again beginning to emerge," remarked President Pinochet during his periodic meeting with the reporters who cover Government House. He made this remark when asked about the possibility of a boycott against Chile. Referring to the labor plan, the chief of state said that "it is now a question of favoring the workers because by law any type of negotiation starts with the recovery of the IPC [Consumer Price Index]. In the past everything was lumped into one packet. Now the labor union can obtain much more than when it was lumped in one packet. Who has lost now? Those who are strong? Who has won? An enormous mass of the country's workers who had nothing. That is why I always say: I am the voice of the weak, of those who have no voice, becuse a cobblers union does not have the voice of a copper union."

Pinochet indicated that anti-Chilean actions are escalating and that he himself has been attacked with the most ridiculous lies, as in the case when he was said to have assets which do not exist. In this respect, the president pointed out the large sums of money at the disposal of the communists so they can blacken those who threw them out of power. "Within this trend," he said, "there are quite a few communists cloaked as democratic liberals who are trying to accelerate institutional processes which they can take advantage of in the future."

Asked about the current rise in prices and others which are being announced, he said: "Matters are not instantaneous in economics. I believe we are going to have a fairly high inflation rate this month. Now, if this does occur, I can say now that the difference in the IPC will be paid. It happens that we have experienced two serious problems. The increase in the price of fuels and of raw materials. We have exerted pressure to stop prices from skyrocketing. But this has not been lost. It will be recovered shortly. The dollar is stabilized."

The chief of state was then asked to remark on the statements made by Air Force Gen Gustavo Leigh (Ret) on the first anniversary of his leaving the government junta. The chief of state said: "Genral Leigh was a member of the government and I have no comments to make. He has made many statements and, as I always say, matters cannot be viewed from the present. The picture has to be seen from the beginning to see whether the story is going by the script, to see whether the principles are being maintained. The only thing I can tell you is that he was a member of the government and I believe the government was right in asking him to leave."

Regarding the sale of plots of land which the chief of state stopped, he added that the comptroller's office is currently carrying on an investigation and that in any case the "ad hoc" commission which intervened from the beginning came to the conclusion that there had been no fraud but that there had been "guilt through negligence."

Regarding the Lonquen case, Pinochet recalled that at that time, 1973, the two sides were at war and the Marxists killed soldiers in various areas of the country, even using "dum dum" bullets which are banned by international agreements.

The president stressed that a law regarding "amnesty is for both sides"--giving as an example the case of the Mexican who killed Lieutenant Lacrampette and was allowed to leave the country--including other Marxist criminals who killed soldiers in Talca. Pinochet stressed that those who are interested in destroying the government's image "in the Lonquen case are going to continue to use scandal to continue to benefit themselves."

Referring to the purchase of planes, the chief of state remarked that it is a question of replacing equipment. Since the North Americans are changing their equipment markets, Chile must look elsewhere for equipment. They have denied us the spare parts and we buy elsewhere. We are replacing equipment.

Regarding the statements made by former Colombian President Alfonso Lopez Michelsen, Pinochet stated that they belong to certain politicians because when one was with him he lauded the Chilean situation, but from there he criticized it.

BRIEFS

EXPORT-IMPORT FIGURES--Santiago, 25 (AFP)--The Central Bank reported that during the first half of this year Chilean exports increased 43.8 percent, reaching $1,665,400,000 and imports increased 31.3 percent reaching $1,745,200,000. [Paris AFP in Spanish 0021 GMT 26 Jul 79 PY]

DECREE CALLS FOR INSTALLATION OF CHAMBER OF REPRESENTATIVES

PA301952 Quito Voz de los Andes in Spanish 1730 GMT 30 Jul 79 PA

[Decree No 3671 issued on 30 July 1979 by the Supreme Government Council, read by Secretary General of the Administration Col Julio Enrique Dobronsky--live]

[Text] The Supreme Council of Government, whereas, in order to be able to effectively return, on 10 August 1979, to the constitutional order that has been fostered by the national armed forces, it is necessary to insure the normal operation of the state institutions; whereas, the National Chamber of Representatives, as a legislative institution, has no immediate antecedents that can be applied for its normal, initial operation; whereas, it is necessary to issue elemental directions that will guarantee the installation and operation of the chamber in accordance with the legislation in effect; whereas, the imperative need to issue norms for initial procedures does not in any way affect the consideration due the Chamber of Representatives nor the autonomous exercising of its duties under the provisions of the Constitution, and in the exercising of the attributes with which it has invested decrees:

Article 1. The National Chamber of Representatives will be installed, without need for further summoning, on 10 August 1979 at 1200 at the Legislative Palace and will elect its president, vice president and secretary.

Article 2. On 8 August at 1600, the National Chamber of Representatives will meet in a preparatory session in the Senate Chamber of the Legislative Palace to elect a director and secretary and will take whatever steps are necessary to insure a quorum for the inaugural session, calling upon alternate representatives in those cases in which the incumbents excuse themselves from attending the inaugural session.

Article 3. The quorum for the inaugural session and for the following sessions will be 35 representatives, that is, more than half of the members of the National Chamber of Representatives.

Article 4. The official document (?identifying) representatives will be sent by the Supreme Electoral Tribunal to the Chamber itself and to the archives director of the Legislative Commission. It will contain the list of 79 representatives that must comprise the chamber. They will be the only ones who will be allowed to deliberate and vote on issues. The official document from the Supreme Electoral Council to the Chamber and to the archives director of the Legislative Commission will also contain the names of alternate representatives.

Article 5. Votes will be cast by a simple majority of representatives attending the preparatory meeting or the sessions of the chamber. Blank votes will be added to the largest number of votes. Null votes and abstentions will not be counted in tallying the final results.

Article 6. The rules contained in the present decree will be in effect until the Chamber, once it is legally installed and guided by its leaders, issues its own rules.

Article 7. The present decree is in effect as of this date and will be published in the official gazette. The minister of government is charged with its execution.

Given in the National Palace of Quito on 30 July 1979.

[Signed] Members of the Supreme Government Council.

TRADE UNION LEADERS MEET WITH TORRIJOS, DISCUSS NICARAGUA

PA291943 Panama City ACAN in Spanish 1807 GMT 28 Jul 79 PA

[Text] Panama City, 28 Jul (ACAN-EFE)--Gen Omar Torrijos, Panamanian National Guard commander in chief, said today that at this moment Nicaraguans need help more than advice. Torrijos received a delegation from the Confederation of Free Trade Union Organizations (CIOLS) at his home in Farallon Beach, 120 km southwest of the capital. Afterwards, the delegation left for Nicaragua, headed by CIOLS Secretary General Otto Kersten. The former Panamanian chief of government and the trade union leaders exchanged views on the Nicaraguan situation following the Sandinist victory.

The CIOLS will present to Nicaraguan workers an offer of aid for the country's short, medium and long term reconstruction. More than $100,000 have been collected for this purpose. Kersten is accompanied by Eidar Trulsen, a Nicaraguan and CIOLS' international division secretary; John Simmons, Canada; Ignacio Planas, a Spaniard and General Union of Workers (UGT) secretary; and Luis Armando Gutierrez, a Costa Rican and vice president of the regional Inter-American Labor Organization. They will meet with members of the Sandinist government and labor leaders in Nicaragua, where they will only spend a few hours this afternoon. They will discuss a program for immediate and future aid.

Kersten and the other members of the delegation arrived in Panama this morning from Caracas, Venezuela, where the CIOLS approved the aid to Nicaragua and a commercial boycott against Chile from 9 to 16 September. General Torrijos offered transportation and communications assistance to help Nicaragua until these two services are back to normal. Spanish Socialist deputy Miguel Angel Martinez, who for 3 years was a CIOLS director, also attended the meeting in Farallon.

This afternoon, Torrijos will meet with Spanish Socialist leader Felipe Gonzalez, who arrived in Panama last night and met with President Royo today in this capital. On Monday, Gonzalez and Martinez will leave for Nicaragua where they will stay for 3 days. Like the trade union leaders, they will fly there in a Panamanian plane. Nicolas Gonzalez Revilla, Panamanian foreign minister during Torrijos' regime and currently secretary general of the Democratic Revolutionary Party (PRD), also left today for Nicaragua.

PSOE Leader Arrives, Meets Officials

PA281935 Panama City Domestic Service in Spanish 1700 GMT 28 Jul 79 PA

[Text] Felipe Gonzalez, secretary general of the Spanish Socialist Workers Party, has met with President Aristides Royo and Gen Omar Torrijos, commander in chief of the National Guard. Gonzalez arrived in Panama yesterday on his way to Managua, Nicaragua, where he will meet with the junta of the Government of National Reconstruction to determine the extent of Spain's aid to Nicaragua. Spanish Socialist deputy Miguel Angel Martinez had arrived in Panama before Felipe Gonzalez. He also met with President Royo and General Torrijos.

SPADAFORA GIVES SPEECH ON RETURNING FROM NICARAGUA

PA280407 Panama City Domestic Service in Spanish 2230 GMT 27 Jul 79 PA

[Speech by Hugo Spadafora, commander of Panama's Victoriano Lorenzo Brigade, at Paitilla Airport upon brigade's return to Panama--live]

[Excerpt] First of all, I want to thank Father Jaen, a faithful interpreter of the gospel, a man dedicated to the people, for having come to say this mass in memory of our dead who today are with us more than ever. Approximately 300 Panamanians participated. Some 20 were killed and dozens were wounded in combat. They were the only heroes in this undertaking. We must swear that the blood shed and mixed with the heroic blood of Nicaraguans, Chileans, Costa Ricans and those from other nations did not fall in vain in Nicaragua but on the seeds of a new Latin America. We must swear by this blood--and so we do--that from now on all our interests will forever be subordinated to the struggle for the ideals of justice, freedom and revolution which led us to Nicaragua.

We have returned to Panama to resume our civilian and peaceful life. We have taken off the uniforms and laid down our weapons because, fortunately, in Panama we live in peace and we, who are not professional soldiers and who hate war--today more than ever because we saw it at firsthand--must provide an example of civic duty and respect for the rules of orderly human coexistence. We must admit that our National Guard is light years away from the Somozist guard, which was nothing but a personal army, mere protectors of the Somoza family's property. On the other hand, we must admit that our National Guard was the force which formed valuable fighters of the brigade, some of whom died.

We know, and Nicaraguans also know, that the Sandinist triumph is also a victory of the Panamanian people, of its government and of its National Guard. This we must admit because, simply, it is the truth. We must also admit that many of our heroes who risked their lives and fought are not here with us today. Some of them are alive. There are anonymous heroes whose names cannot be revealed for various reasons but who will always be in our hearts with all the respect and reverence they deserve. We are ready to depart again, at any time and to any place where a people rebel against injustice, reactionary dictatorships, [shouting, slogans] against tyranny, any people led by a well-organized revolutionary vanguard and with its leadership rooted in the masses, as was the case in Nicaragua. We are not exporters of revolutions, not at all. We are only revolutionaries who make our modest unconditional contribution. This is why 4 hours ago when I boarded the plane which brought us here, we said that we are ready to return at any time that the Nicaraguan revolution believes it advisable. What is more, we would not delay a second in returning to that courageous land if the counterrevolution even tries to mount an attack against the new Nicaraguan social justice and progressive regime.

If at this very instant we were told that Nicaraguan reactionary forces had unleashed an invasion, intervention or anything similar, we would not let the motors of our airplanes cool off and would return at once. I am sure that we would need many more planes. [applause] Nicaragua has opened a new chapter in Latin America. The militant solidarity on the battlefield evidenced by Panamanians, Costa Ricans and Chileans, of whom there were hundreds, this revolutionary militancy is only the beginning. If the Americans fail to understand the reality of the situation, we are sure that there will be other Nicaraguas and then there will be thousands of us fighting. [applause] Let us hope that is not the case. This is largely in the hands of the imperialists. We can only react according to circumstances.

We must thank your government, its leaders and--we must say it--General Torrijos for his gesture in informing us that the national government, in recognition for our effort, assures work for all the brigade members [shouting] and pensions for all dependants of our martyrs that will allow them to live with dignity. We have always said that our brigade is not for or against the government. It does not follow this or that party. But we must also admit that the only party which has come to welcome us is the Democratic Revolutionary Party [PRC], and this is why [party Deputy Secretary General] Ascanio Villalaz is with us. We invited him, not because he is in the government or because he is PRC deputy secretary general; no, that is not the case. We would be here also with the secretary general of the Communist, Liberal, Panamenist or any other political party which would have wanted to officially welcome us. Let this be clear.

U.S. WARNED AGAINST 'FRICTION' IN CANAL NEGOTIATIONS

PA262211 Panama City LA ESTRELLA DE PANAMA in Spanish 24 Jul 79 p 4 PA

[Editorial: "The Causes of Friction"]

[Text] None of Washington's legislators should overlook the meaning and scope of the phrase that heads this note and which has long occupied a prominent rung on the ladder of Panamanian-U.S. relations.

The tragic 9 January events, while of outstanding historic significance, were the flare that triggered the mechanism of negotiations that culminated with the signing and ratification of the Torrijos-Carter treaties. No one denies this. But when former President Chiari decided to sever diplomatic relations with the United States--a step that shocked the entire American continent and started a new series of contacts and mediation procedures, even with the active participation of the OAS to overcome the situation--the governments of Panama and the United States agreed to initiate negotiations to eliminate the causes of conflict and the reasons for friction that stood between the two countries due to the existence on our soil of an interoceanic waterway called the Panama Canal.

This negotiating process--lengthened and compounded by the many difficulties with which we Panamanians had to come to grips--resulted in the above-mentioned treaties, which were intended to begin a new relationship between our country and the United States based on mutual understanding, a spirit of collaboration and common interests. The correct and adequate application of these instruments, they said would eliminate the reasons for friction and causes of conflict, thus entering into a new stage that can and must be an example of international relations between a great power, such as the United States, and a country of modest physical proportions, but always zealous in the defense of its dignity as a nation and its sovereignty.

Unfortunately, some U.S. legislators now want to throw sand in the gears that will start the treaties rolling, thus creating new reasons for friction and causes of conflict, for a purpose that seems to us to be simply incomprehensible. In addition, there exists the circumstance that what is stated in the letter of international treaties and is signified in their spirit cannot be modified in any way by the internal disposition of one of the two parties involved. If they could, treaties would serve no useful purpose. Let those North American legislators remember the famous Latin phrase, definitively consecrated in international law by Grotius, which states: "Pacta sunt servanda [treaties will be implemented]."

Liberal Party Protests Treaty Amendments

PA262244 Panama City ACAN in Spanish 1444 GMT 26 Jul 79 PA

[Text] Panama City, 26 Jul (ACAN-EFE)--Panamanian liberals have protested the new canal treaty violations included in the treaty implementation legislation recently approved by the U.S. House of Representatives. They also warned that problems between Panama and the United States will not result from the violations but from the very text of the Torrijos-Carter treaties and the amendments which the U.S. Senate introduced during ratification.

In the communique released to ACAN-EFE today, National Liberal Party [PLN] President-for-life Guillermo Quijano "protests and publicly rejects" the "dismal violations included in the bill" approved by the U.S. House of Representatives. "However," it adds, "we are convinced that the main causes of the conflict that will unavoidably emerge between Panama and the United States will have their origin in the Torrijos-Carter treaties, especially in the amendments, conditions, reservations and understandings introduced by the Senate. These were, to the surprise of anyone in his right mind, considered as 'acceptable' by the head of the Panamanian negotiating mission. They should have been rejected because they offend our sovereignty."

The PLN criticizes the Panamanian Government for not having negotiated an "arbitration clause" in the treaties. "It is difficult to understand," they said, "how, after our nation suffered impositions, violations and absurd treaty interpretations by the United States for 75 years, the Panamanian Government, forgetting the painful past experiences, agreed to sign the Torrijos-Carter treaties without a compulsory arbitration clause, or without compulsory jurisdiction of the International Court of Justice."

Canal Treaties Opposition Scored

PA292015 Panama City LA REPUBLICA in Spanish 29 Jul 79 p 4-A PA

[Editorial: "A New Attempt"]

[Text] Although, we do not have all the evidence, but might have it in a few days, we might say that the U.S. Senate, which is acting according to its agreement with Panama, has defeated another virulently hysterical attempt planned by those members of the U.S. Senate who are opposed to the Torrijos-Carter treaties.

Once again, we were subjected to the same insults and accusations against Panama, its government and people, that were made while the treaties were being debated. The senators who were defending President Carter's bill to complement the treaties proved that those accusations had no foundation.

However, based on U.S. constitutional procedures, the Torrijos-Carter treaties must be submitted to new debates. On this occasion, a joint commission from the two houses will discuss the treaties. It is possible that the enemies of the treaties might submit formulas that will stand in the way of implementing the treaties in their original form as was passed by the U.S. Senate a year ago.

However, White House spokesmen have expressed their optimism that the treaties will be implemented according to their original form. They are optimistic because they say that the main obstalces have been overcome.

For Panamanians, the new U.S. Senate debates are another demonstration of the perseverance of the enemies of the Torrijis-Carter treaties. Their arguments have not changed. The opposition's arguments are based on speculations, suspicions and accusations which cannot be documented. It is just a matter of a group that will not admit historic changes, despite the many setbacks that U.S. international policy has experienced, refusing to grant Panamanians their rights. Nevertheless, we Panamanians are going ahead with our organization and plans to enter the Canal Zone on 1 October.

COLUMNIST PRAISES PRESIDENT CARTER'S ENERGY SPEECH

PA242305 Panama City CRITICA in Spanish 24 Jul 79 p 4 PA

[Camilo Perez "Bona Fide" column: "A Commentary About a Speech"]

[Excerpt] After having read his "formidable" speech about the energy problem, we see the Carter we had imagined--honest, accessible and possessed of the madness of an idealist, of Don Quixote--and we respect him as an opponent worthy of fighting honestly.

We have reread his speech. It is a valiant statement, full of human interest, American pride and sincerity. At the same time, it is a dangerous message for his country's major interests, which are accustomed to managing public affairs as though they were a private company.

His request to the nation, the admission of his faults and the warning about the mistakes of his own society might put him in dire straights. However, we believe he will triumph. He must triumph because he speaks of peace and this is important. He must go on, because he speaks of administrative honesty, and this is fundamental for a nation filled with mistrust, as he himself points out.

A president who listens, who invites various and diverse sectors to listen directly to the details and opinions about his policy and his relationship with previous administrations is a capable and intelligent man. If some people do not see him as a positive president, it may be due to the fact that he does not lend himself to obscure games. The truth is that hidden forces are currently moving to harm him and to eliminate him politically, or perhaps physically.

When Carter asks the North American nation to see that its soldiers are at peace at the moment he speaks, this is eloquence and humility that cannot please warmongers or oil magnates. Also, when he signs the Salt II Treaty with the Soviet Union he is also placing himself at the head of a reality that admits peaceful coexistence and contributes in large measure to disarmament and the progressive development of nations.

When he warns that in 1980 no more petroleum will be imported than was imported in 1977, he is seeing realistically what should be foreseen so as not to hamper development. All this, in our opinion, is the voice of a good citizen who knows how to distinguish between what it is to administer a government and direct a nation. Also, perhaps this is why Somoza blames Carter for his fall, in order not to credit Sandinism.

BRIEFS

INCREASED BANK ASSETS--The Panamanian comptroller general's office reports that bank assets as of 31 December 1978 amounted to 16 billion balboas, a 28.9-percent increase over the previous year. [Panama City Domestic Service in Spanish 2326 GMT 27 Jul 79 PA]

COSTA RICA

PRESIDENT DISCUSSES DOMESTIC NORMALIZATION PLANS

PA271743 San Jose Radio Reloj in Spanish 0202 GMT 27 Jul 79 PA

[Speech by President Rodrigo Carazo over radio-television network--live]

[Excerpts] Good evening, Costa Ricans. The last few months, filled with death and sorrow, have offered us much opportunity to think. We have witnessed, close at hand, the tragedy of the sacrifice of a nation. It was as if observing the effects of a fire in a neighbor's house, knowing that whether we liked it or not, what was happening there would affect us here.

So many youths, almost children, engaged in a fratricidal war to the death to gain freedom, democracy, and rid themselves of tyranny and have the right to think and act freely. It was a struggle to win a free fatherland. The media showed us that in the face of such noble objectives, human life was sacrificed without reluctance. It was a struggle in which the eagerness to remain in power, despite having enjoyed it for nearly half a century, placed ambition before all else. Going as far as indiscriminate genocide in his eagerness to continue in power, the dictator even scorned human life. History has witnessed the unreasonable struggle of a man who, in order to preserve his political power, preferred to destroy his own people.

We have all been thinking a lot in the past few months. I went through many hours of solitude, meditation and prayer, searching for solutions and thanking God for what we are, for what Costa Rica is and has been, for our democracy, our freedom, our welfare and our culture, always looking for a solution that would end the conflict and praying to God for the safety of our people and for light that would lead us to a positive solution to snuff out the fire in our neighbor's house and prevent us from the harm such a fire could cause us.

History will reveal many details of what has happened. What I can say now is that since the killing of the civil guards in November 1978, it became evident that the genocide would not respect the borders and that the cloak of death would threaten our country. The death of a child early this year confirmed this fear. We had to be prepared to defend ourselves. We met internal opposition on this decision, but we had to do it. There is no valid excuse once the damage is already done.

In Nicaragua, a man did everything to perpetuate himself in power. Here, we have been able to compare the blessings of our peace with the clamor of war in a sister nation. We lived fearing war. Now it is logical that we should make every effort--and I invite all to do so--to preserve the Costa Rica we have, where there is no injustice, or abuse, or lack of respect.

The arms that were loaned to us will be returned shortly. They were antiaircraft weapons, property of the Panamanian Government, and we shall return them next week. Those arms sent to us by the Venezuelan Government will be returned once we finish a cleanup operation in the area and prepare our border forces for the proper protection of cities and towns. It is no longer necessary to have so many guards on the border. Many have already returned and others will do so shortly. Disarmament is underway, and we can rest assured that our cities, towns, powerplants and other vital installations were not bombed because the dictator knew that the Panamanian antiaircraft weapons loaned us by Panama were there. Our Civil Guard will return home. As a Costa Rican, I am grateful to them for their courage and dedication. Now their only duty will be guarding our cities and countryside. Costa Rica now prepares to live in peace, as the threat of war has disappeared. Now, all will be work. We hope Nicaragua will be rebuilt soon. There, it will be necessary for all to work together. If they do so, Nicaragua will soon be a different nation.

The government has decided to declare the housing problem a national emergency and establish, as of the month of August, within the national plan, the housing and human settlements sector. This sector will be presided over by a minister without portfolio, who will be a high-ranking official, as required by the magnitude of the problem. As a second measure, financial resources will be provided to the national savings and credit system whereby housing companies and state institutions alike will be given mortgage discounts on the houses they build. For that end, there will be an amount in excess of 500 million colones, which will be assigned by the Central Bank to the central savings and credit department of the Banco Credito Agricola de Cartago. It is difficult to cover all activities in the country connected with housing; to solve a great national problem. Never before has this been done, and we hope it will mark the true start at eliminating emergency housing and fulfilling the state's guarantee to provide proper housing for every inhabitant.

CALDERON FOURNIER HOLDS TALKS WITH MEXICAN FOREIGN SECRETARY

PA301917 San Jose Radio Reloj in Spanish 1730 GMT 30 Jul 79 PA

[Text] Taking advantage of a visit to Mexico last week, Costa Rican Foreign Minister Rafael Angel Calderon Fournier met with his Mexican counterpart, Jorge Castaneda. The two ministers discussed several international topics, their countries' assistance to Nicaragua and tuna fishing. In this regard, Costa Rica and Mexico have been upholding a thesis favorable to coastal countries.

COMMISSION CREATED TO STUDY CENTRAL AMERICAN TRADE

PA300035 Panama City ACAN in Spanish 2205 GMT 29 Jul 79 PA

[Text] San Jose, Costa Rica, 29 Jul (ACAN-EFE)--The Costa Rican Government has formed a joint commission which will be in charge of studying and solving problems concerning trade with Central America and analyzing the gap in trade with Nicaragua. The commission comprises Economy Minister Fernando Altmann, Finance Minister Hernan Saenz, Second Vice President Jose Miguel Alfaro and Economic Integration Director Olmedo Castro.

Private officials on the commission are Chamber of Industries President Walter Kissling, former Chamber of Commerce President Edwin Mendez and former Minister Miguel Angel Rodriguez for the agriculture and livestock sector. As reported, one of the primary tasks of the commission will be to study Nicaraguan events, particularly in the economic area. The recent Nicaraguan civil war left Costa Rica without communications with the other common market countries and, like them, it too lost the Nicaraguan market, ruined by the hostilities. The conflict brought Costa Rica from a surplus situation in 1977 to a $25-million deficit in 1978.

BRIEFS

MCRL ELECTIONS--The annual general assembly of the Free Costa Rica Movement (MCRL) on 20 July elected Bernal Urbina Pinto as new president to replace Edgar Cardona Quiros. The other members of the board of directors are First Vice President Juan Antonio Sanchez Alonso, Second Vice President Bernardo Gomez Marin, Treasurer Rodolfo Robles Guzman and Secretary Edwin Polanco Castro. [San Jose LA NACION in Spanish 24 Jul 79 p 8A PA]

EL SALVADOR

PDC'S MORALES ERLICH RETURNS FROM EXILE

PA271539 Panama City ACAN in Spanish 0030 GMT 27 Jul 79 PA

[Text] San Salvador, 26 Jul (ACAN-EFE)--The top leadership of the Christian Democratic Party (PDC) said here today that efforts should begin now to establish a favorable climate for the future election of deputies and mayors. In a news conference to present lawyer Jose Antonio Morales Erlich, former mayor of San Salvador and former vice presidential candidate in the March 1977 elections, who returned to the country Wednesday after 2 years and 5 months in exile in Costa Rica, the politicians said the PDC will go to the polls in the March 1980 elections only if there is an end to persecution of members of the opposition. Morales Erlich denied that his return was the result of negotiations or deals with the present government. He said he had come to join the civil-rights struggle in the republic. Morales Erlich said El Salvador is daily becoming more immersed in chaos, which makes it necessary for all political organizations to join forces to save the country. The young lawyer said political assassinations cannot be allowed to continue and that the wave of violence must be ended promptly. He emphasized that the Salvadoran Christian Democrats have always been open to dialog and that they are not now going to play the present government's game. Morales Erlich said the best way out of the present crisis in El Salvador is democracy.

FPL GUERRILLAS KILL POLICEMAN IN COJUTEPEQUE

PA281703 Panama City ACAN in Spanish 1615 GMT 28 Jul 79 PA

[Text] Cojutepeque, El Salvador, 28 Jul (ACAN-EFE)--A Salvadoran policeman was killed today by leftist guerrillas on the outskirts of this city, located 53 km east of San Salvador. The authorities told ACAN-EFE today that members of the Popular Liberation Forces (FPL) attacked the policeman and another agent who were on a patrol. The dead policeman was identified as 25-year-old Rosalio Soto Sosa. The guerrillas took his rifle, revolver and ammunition. The other policeman, Ernesto Valle Pocasangre, was not injured.

NICARAGUA

GOVERNMENT REQUESTS MEMBERSHIP IN NONALINED MOVEMENT

PA302256 Panama City ACAN in Spanish 2111 GMT 30 Jul 79 PA

[Text] Managua, 30 Jul (ACAN-EFE)--The new Nicaraguan Government that emerged as a result of the victorious revolution of the Sandinist National Liberation Front (FSLN), has presented a request for membership in the nonalined countries movement.

The movement will hold a meeting in Havana, Cuba, on 24 August to review the world situation. It is assumed that they will give a vote of support and solidarity to the new Nicaraguan Government of National Reconstruction that replaced the Somoza dynasty that governed the country for more than four decades. The Nicaraguan request was sent directly to the president of the nonalined countries movement in Sri Lanka.

PANAMANIAN MILITARY GROUP ARRIVES TO ADVISE MILITIA

PA310346 Panama City ACAN in Spanish 2042 GMT 30 Jul 79 PA

[Excerpt] Managua, 30 Jul (ACAN-EFE)--A delegation of 15 officers of the Panamanian armed forces arrived here today to provide technical and military advice at the request of the Nicaraguan revolutionary government. The delegation arrived on a Panamanian Air Force plane. It is headed by Lt Col Ruben Dario Paredes, a graduate of the former Nicaraguan military academy, and Lt Col Manuel Antonio Noriega, both members of the Panamanian National Guard staff. The Panamanian officers will advise the Sandinist militia on police matters, prison systems and other subjects. They will stay in Nicaragua for several months. The Panamanian officers will be guests of honor at the swearing in of the new Sandinist Air Force (FAS) commander, Raul Venerio, tomorrow afternoon.

SPANISH SOCIALIST LEADER ARRIVES IN MANAGUA

PA302235 Madrid EFE in Spanish 2044 GMT 30 Jul 79 PA

[Excerpt] Managua, 30 Jul (AFP)--Spanish Socialist leader Felipe Gonzalez arrived here today to make preparations for a visit by an official delegation of the Socialist International at the end of the week. Gonzalez arrived in a Panamanian Air Force plane accompanied by Socialist Deputy Miguel Angel Martinez. They were greeted by Nicaraguan Foreign Minister Miguel d'Escoto. Following a lengthy meeting with d'Escoto, the two visitors met with the junta of the Government of National Reconstruction and had lunch with Spanish Ambassador Pedro de Aristegui. Gonzalez, former secretary general of the Spanish Socialist Workers Party, denied that he had brought specific aid proposals and noted that he will be in Nicaragua 2 or 3 days. He said the Nicaraguan Government will tell him what Nicaragua's needs are and he will then distribute this information internationally.

GOVERNMENT SENDS DELEGATION TO LAES MEETING IN VENEZUELA

PA302319 Panama City ACAN in Spanish 2105 GMT 30 Jul 79 PA

[Text] Managua, 30 Jul (ACAN-EFE)--The Junta of the Government of National Reconstruction agreed to send a delegation to the Latin American Economic System [LAES] at a meeting which began today in Caracas. Alfonso Robelo, member of the five-man revolutionary junta, and Roberto Mayorga Cortes, planning minister and economist, make up the delegation to Caracas.

The Nicaraguan Government delegation will report to LAES on the country's real situation, the disruption of the economy in the aftermath of the war and the looting of the national treasury by the overthrown Somozist regime. From this LAES meeting could emerge a high-level international organization dedicated, according to a project revealed by officials of the revolutionary government who visited Venezuela last weekend, to coordinate financial aid for Nicaragua's reconstruction. The project also considered the promotion of a meeting with regional financial institutions, such as the EEC Economic Council, the socialist countries' economic council (COMECON) and the Western world financial community. The meeting would also serve to corrdinate financial aid to Nicaragua. This meeting has been scheduled for the end of 1979.

500 NATIONAL GUARDSMEN SURRENDER TO HONDURANS JULY 28-29

PA302315 Panama City ACAN in Spanish 2108 GMT 20 Jul 79 PA

[Text] Tegucigalpa, 30 Jul (ACAN-EFE)--Approximately 500 members of the disbanded Nicaraguan National Guard turned themselves in this weekend at the Nicaraguan border. Honduran police sources said here today.

The surrender took place in Gracias a Dios Department, bordering Nicaraguan territory. The former soldiers were in civilian clothes and told Honduran police they were being pursued by the Sandinist army. Other armed remnants of what was the Nicaraguan National Guard in Gracias a Dios have chosen not to surrender to Honduran troops and are hiding in the jungle. Sandinists pursuing the former soldiers of deposed Nicaraguan President Anastasio Somoza have reportedly entered Honduran territory on several occasions, taking advantage of unguarded sectors along the border area.

MANAGUA RADIO QUOTES HONDURAN SPOKESMAN ON NEUTRALITY POLICY

PA301609 Managua Domestic Service in Spanish 1426 GMT 30 Jul 79 PA

[Text] The military government of Honduras said today it will not allow Honduran territory to serve as a base from which members of the former Nicaraguan National Guard can harass the new Nicaraguan Government. erman Allan Padgett, press secretary of the Honduran regime, said that over 5,000 members of the defeated Nicaraguan guard remain in Honduras. They fled their country last week in the wake of the Sandinist National Liberation Front victory. The National Guard was created by the United States in the 1930's and became overthrown dictator Anastasio Somoza's main source of support.

When it was mentioned that the Nicaraguan militarymen could organize themselves and attack targets in Nicaragua, Padgett said that the principle of nonintervention followed by Gen Policarpo Paz Garcia's government will be strictly adhered to. The government invariably observed the policy of nonintervention in Nicaraguan internal affairs over the past months and will continue to apply this principle, he said. Padgett said that granting political asylum to Nicaraguan guardsmen implies that the beneficiaries are responsible for complying with laws currently in force in Honduras. Asylees cannot engage in political belligerency while they remain in national territory, the official said. Most of the Nicaraguans arrived here by crossing at blind spots [puntos ciegos] or areas in which there are no border guards or came in over 36 Nicaraguan Air Force planes which remain in this capital.

GOVERNMENT MEMBERS DISCUSS IMMEDIATE NEEDS, RECONSTRUCTION

Ortega on Food, Economy

PA310342 Panama City ACAN in Spanish 0153 GMT 31 Jul 79 PA

[Text] Managua, 30 Jul (ACAN-EFE)--Daniel Ortega Saavedra, member of the new Nicaraguan Government, said here today that the food situation in Nicaragua is very difficult and that international aid must come soon in order to prevent a more serious problem in this country, which has just emerged from civil war. Ortega Saavedra, who is also a member of the Sandinist front national leadership, said in a news conference that a survey shows that 1 million persons must be fed every day and that there is a food shortage. He added that for some time we will depend heavily on foreign aid. At least we know that many countries and organizations have announced they are willing to send food, but very little has arrived so far.

Ortega Saavedra warned Nicaraguans that the revolutionary government guarantees savings deposited in private banks during the Somoza regime--banks which have now been nationalized--and that they can use their money, but only up to certain limits. All those who try to withdraw all their savings from the banks will be threatening the revolutionary process and we are not going to let the bank vaults be left penniless, he added

He asked the Nicaraguan people to have faith in the joint leadership of the Sandinist National Liberation Front and the Government of National Reconstruction which he said is ready to fulfill all promises made during the armed struggle against Somozism.

The guerrilla leader noted the effort required by the Sandinist front to make all sectors of the country realize the need to isolate the Somozist dictatorship and to overthrow it. He said we made a commitment to those sectors in a program of national reconstruction because we believe this program is needed to function and advance. He insisted on the need to maintain unity even though the people's power is the basis of the Sandinist front, and to work honestly for consolidation of the country's revolution. [sentence as received] We will not allow our process to be threatened from abroad, nor will we allow the presence of persons who seek to sidetrack the goals of our struggle. The nationalization of banks and the expropriation of properties owned by the Somoza family and its followers has been criticized abroad, especially in Guatemala. However, private enterprise has accepted the measures as necessary.

Sandinist leaders are involved in delivering a series of radio and television speeches to the nation, defining the revolution's viewpoints and their [word indistinct] ties with the junta of the Government of National Reconstruction.

Robelo on Reconstruction

PA301901 Panama City ACAN in Spanish 1806 GMT 30 Jul 79 PA

[Text] San Jose, 30 Jul (ACAN-EFE)--It will take 10 years and $2 billion to rebuild Nicaragua, Alfonso Robelo, member of the revolutionary Nicaraguan Government, told the Costa Rican newspaper LA NACION. Robelo, member of the junta of the Government of National Reconstruction and a prominent Nicaraguan businessman, said that the first part of the plan, which will consist of organizing the economy, building the infrastructure and providing health services, transportation, education and other services, will take 6 months and will cost $850 million. He said that many offers of foreign aid have been received. He added that in his visit this week to Caracas, he will discuss the aid that the Andean Pact countries--Venezuela, Ecuador, Peru, Colombia and Bolivia--will give Nicaragua.

The first part of the reconstruction program in Nicaragua, which was mostly destroyed during a bloody civil war which lasted for months, will be dedicated to nutrition, health and security matters. Robelo said that imports will be limited to the most essential items. The second part of the plan will involve rehabilitating the country's international monetary reserves, which currently show a $350 million deficit. Finally, the third part will be to reduce the foreign debt, which amounts to $1.3 billion. Robelo, who will be accompanied by Nicaraguan Planning Minister Roberto Mayorga Cortes, will attend the Latin American Economic System (LAES) meeting in Caracas, where he will present Nicaragua's most urgent needs.

Cuadra on Immediate Economic Needs

PA302220 Paris AFP in Spanish 1823 GMT 30 Jul 79 PA

[By Norberto Gallego]

[Text] Managua, 30 Jul (AFP)--Treasury Minister Joaquin Cuadra Chamorro said to AFP today that Nicaragua needs $150 million in the next 45 days and at least another $2 billion to rehabilitate the production capacity destroyed by the civil war. Cuadra Chamorro, lawyer for a private bank, millionaire and father of the chief of the Sandinist army general staff, painted a dramatic picture of the economic situation found by the regime when it assumed power.

"The financial situation we inherited is disastrous," said the finance minister, adding that "monetary reserves which totaled $200 million at the end of 1977 are now less than $3 million." The state's resources, deposited in the Central Bank and the private banks, which are now nationalized, amount to only 160 million cordobas ($16 million), thanks to the money printed in the last few days of the Somoza regime. "We have to start from zero, from a situation few countries of the world have experienced," said Cuadra.

In order to meet immediate needs, the Nicaraguan Government hopes to obtain "very soft" loans from the countries that supported the struggle against Somoza and from specialized international organizations. The first source should be the Latin American Economic System [LAES], which would coordinate regional aid, according to a Venezuelan proposal. The Venezuelan Government has already granted a $20-million loan to be managed by the Inter-American Development Bank and could double this amount in the next few days.

Official missions will leave in the next few days for the United States, Europe and the Arab countries to request international aid, not only financial but technical, sanitary and educational aid as well, according to the finance minister. The Nicaraguan foreign debt, including the private sector, now stands at approximately $1.3 billion, much of it under onerous conditions and oppressive terms. Cuadra hopes, if at all possible, to prevent a renegotiation "which could be detrimental to our political and economic sovereignty." The still undefined alternative would consist of applying part of the resources Nicaragua would receive to service the old debt.

Restoration of private industry destroyed by the civil war will require from the Nicaraguan treasury assistance to aid private businessmen, but this will only be possible if the international community provides financial backing for this effort. "We will give priority attention to industries that will create jobs and process Nicaraguan raw materials. We are not interested in helping plants which repack or assembly products manufactured abroad," said Cuadra. The initial thrust of the government will be focused on restoring agricultural and livestock production, to obtain a quick harvest of basic grains, which is indispensable to prevent starvation, and on an agricultural campaign to permit resumption of cotton and coffee exports as soon as possible. "Private initiative will have a secure place under the new conditions," said the minister, "because we will have enough work in organizing the government sector consisting of the enterprises expropriated from Somoza."

The nationalization of the financial system was imperative, explained Cuadra. "The banks were virtually bankrupt and the state needs a financial system that matches the orientations of its economic policy. We studied other alternatives but realized that nationalization was the only viable one." Cuadra said that he was convinced that the government program approved in Costa Rica at the beginning of July will be fulfilled without threats of radicalization: "Nothing would be worse than to replace rational and orderly decisions with a series of political conditions far removed from economic reality," concluded Cuadra.

PSN SECRETARY GENERAL COMMENTS ON PARTY'S CONTRIBUTION TO VICTORY

LD301831 East Berlin ADN International Service in German 1612 GMT 30 Jul 79 LD

[By ADN correspondent Ulrich Kohls]

[Text] Managua--Dr Alvaro Ramirez, vice foreign minister in the Government of National Reconstruction of Nicaragua and secretary general of the Socialist Party of Nicaragua (PSN), the country's communist party, told the ADN correspondent in Managua in a conversation: "We communists in Nicaragua contributed to the overthrow of the Somoza dictatorship both in the political struggle within the United People's Movement (MPU) opposition front and in the armed liberation struggle."

In the MPU, which unites all leftist forces in the country, the PSN had always supported a program of political and socioeconomic structural changes calling, among other things, for land reform and the nationalization of private banks, mines, fishing enterprises and forests. The MPU program also called for the establishment of trade relations with democartic countries in all parts of the world and respect for national sovereignty as the basis of Nicaragua's foreign policy. "These demands, fully in line with our party's program, were supported in the MPU by all 19 political organizations belonging to it, including parties, trade unions, farmers unions and women's and students' organizations. The MPU organized the working class of Nicaragua in 'Civil Defense Committees' and "committees of working people' in residential areas and factories, which were preparing and mounting the popular rising alongside the FSLN [Sandinist National Liberation Front]. At the same time members of our party took part in the heroic armed struggle under FSLN command." "Volunteers from the Socialist Party did valiant battle with Somoza's National Guard in the densely populated quarters on the eastern outskirts of Managua, where the party has a powerful influence on some 200,000 workers living there. The popular rising in these proletarian quarters of our capital necessitated the concentration of many Somoza troops in Managua and thus facilitated the liberation of strategic towns such as Esteli and Masaya. Shoulder to shoulder with the FSLN patriots, our armed forces fought successfully in the areas of Leon and Matagalpa as well as in the 'Benjamin Zeledon' Sandinist command on the southern front." The FSN welcomes the proposed creation of a Sandinist party and the FSLN proposal to set up a "Sandinist working people's center" as an organ for deepening the united action of Nicaragua's working class. "Such a trade union center is in line with what an absolute majority of our country's working people have wanted for decades. It will support tne implementation of the complicated tasks of national reconstruction." The fact that in the first days after the victory over the dictatorship more than 30 new trade unions were set up in Managua showed the eagerness of working people to organize themselves. The PSN fully supports the government's national reconstruction program because it meets the most urgent necessities of reconstruction. The Government of National Reconstruction would, in accordance with its program, conduct a foreign policy guided by "the principles of respect for national sovereignty and self-determination and of the struggle to preserve peace and deepen international cooperation on the basis of equality."

WEEKLY INTERVIEWS SANDINIST LEADER ROGELIO MERCADO

LD261118 Algiers APS in English 1005 GMT 26 Jul 79 LD

[Text] Algiers, 26 Jul (APS)--Dr Rogelio Mercado, member of the Nicaraguan Sandinist Liberation Front (NSLF)'s political commission, declared that "the new government of his country intends to establish relations with progressive countries in the world," in an interview to the Algerian weekly REVOLUTION AFRICAINE. In a reply to a question on the army's orientations, Mr Rogelio said: "The new national army will assure the defence of the democratic process, sovereignty, national independence, and territorial integrity. It will gather all forces which contributed to the liberation of Nicaragua." "The army is to participate in reconstruction and development tasks with the people," Mr Rogelio said. He added that the government set up a plan, aimed at the disintegration of Somoza's structures and repressive ones. [sentence as heard] Mr Rogelio stressed the flight of 5,000 soldiers and officers of the former National Guard to Honduras and declared that "imperialism tries to organise armed bands and mercenaries to disparage the Nicaraguan revolution, but the army is ready to face up with this eventuality, together with the people." "We do not fear any imperialistic aggression and the threat does exist," Mr Rogelio added. He denounced U.S. attempts to divide among Sandinist Front, to introduce within its body former elements of the National Guard and maintain the presence of the Liberal Party and Somozist bureaucratic structures. "U.S. manoeuvres lead to treason, and assassination, and that's why we once more replied by a categorical 'no' to these maneouvres."

SANTIAGO EXAMINES POSSIBILITY OF AID TO NICARAGUA

FL301041 Havana Domestic Service in Spanish 1000 GMT 30 Jul 79 FL

[Text] Santiago de Cuba health workers discussed aid to Nicaragua in a meeting held Sunday in response to pronouncements made by Commander in Chief Fidel Castro on 26 July. During the meeting, which was attended by political, administrative and union leaders, it was announced that the territory is prepared to give aid to the fraternal Nicaraguan people by sending 52 physicians, 75 nurses, 41 technicians, 5 dentists and 5 dental technicians.

The administrations of several hospitals announced that their workers are ready to give aid to Nicaragua in an effort to cooperate in the reconstruction of the country and consolidation of its revolutionary process. The participants in the meeting agreed to give the name of Nicaraguan hero Carlos Ulloa to the brigade. Ulloa was killed in Playa Giron defending the Cuban revolution. It was also pledged to guarantee good work in Santiago in services to the residents and to maintain the gains that have been accomplished by doing the work of those who go to Nicaragua as a demonstration of internationalism of those who remain behind. The meeting was chaired by Jose Ramon Balaguer, member of the PCC Central Committee and first party secretary In the province, as well as other Santiago leaders.

Health Workers Brigade Praised

FL301311 Havana Domestic Service in Spanish 1100 GMT 30 Jul 79 FL

[Text] Public Health Minister Jose A. Gutierrez Muniz has stated that the Cuban medical brigade which departed for Nicaragua several days ago headed by Vice Minister Pedro Azcuy is prepared to do good work from the very beginning. He added that the brigade, made up of 40 physicians of various specialties, 20 nurses and technicians, is equipped with tents for its members and those requiring hospitalization. The minister added that the tents can also be used for outpatient care.

Gutierrez Muniz explained that the Cuban medical brigade is divided into two groups, one located in Managua, the Nicaraguan capital, and the other in the city of Masaya. The brigade has two powerplants and the medicines and drugs needed for those hospitalized and outpatient services. He added that the brigade also carried food supplies for its members and hospitalized patients and is prepared to conduct preventive and sanitary work with the aid of two motorcycles equipped with sidecars. In closing, Gutierrez Muniz stated that all Cuban physicians are ready to lend their services wherever it becomes necessary, inside the country or abroad.

MIRET OPENS NONALINED PREPARATORY MEETING

FL301856 Havana Domestic Service in Spanish 1802 GMT 30 Jul 79 FL

[Text] Pedro Miret Prieto, member of the PCC Politburo and vice president of the nonalined countries sixth summit National Preparatory Committee, has inaugurated the seminar for military aides-de camp and liaison officers who will be accompanying the delegates participating at this meeting. Others presiding at the meeting were Sergio del Valle Jimenez, member of the Politburo and vice president of the National Preparatory Committee, and other leaders who are participating in preparations for the sixth [nonalined] summit.

The meeting, which is being held in the Palace of Conventions and is testing some of the installations, will be closed on Saturday 4 August. The general rehearsals will be held on 12 and 19 August. In preparing the personnel miret explained the objectives of the meeting, which will include several conferences by government leaders, and gave an overview of the projects being completed and the work in preparation for the meeting.

Jordan Will Attend Summit

FL301531 Havana Domestic Service in Spanish 1405 GMT 30 Jul 79 FL

[Text] A spokesman for the Jordanian Foreign Ministry has officially confirmed that his country will participate in the nonalined countries summit conference to be held in Havana next September. During that conference, the spokesman stated, Jordan will advocate a just and lasting peace in the Middle East based on the total withdrawal of Israeli troops from occupied Arab territories.

Afghanistan's Taraki Will Attend Summit

FL310121 Havana Domestic Service in Spanish 2300 GMT 30 Jul 79 FL

[Text] Nur Mohammad Taraki, president of the Afghan Revolutionary Council, will head the delegation to attend the nonalined countries summit which will held in Havana in September 1979. The information was released by Afghan Prime Minister Hafizollah Amin at a press conference at which he pointed out the importance of this movement in strengthening and maintaining peace.

RODRIGUEZ RETURNS AFTER CEMA MEETING

FL301646 Havana Domestic Service in Spanish 1600 GMT 30 Jul 79 FL

[Text] Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, has returned to Cuba after attending the 33d CEMA meeting in Moscow and visiting several member states of the nonalined countries movement. During the tour, Carlos Rafael Rodriguez held talks with the chiefs of state of Yugoslavia, India, Sri Lanka, Iraq and Algeria, with whom he discussed the sixth nonalined countries summit conference to be held in our country next September. He also made a brief stop in Qatar where the authorities welcomed him as guest. While there he met with that country's foreign affairs minister to discuss preparations for the sixth summit.

GARCIA FRIAS MEETS WITH LIBYAN OFFICIAL

FL301151 Havana Domestic Service in Spanish 1000 GMT 30 Jul 79 FL

[Text] Cuban Council of Ministers Vice President Guillermo Garcia Frias met on Sunday with Ali Abd al-Salam at-Turayki, secretary of foreign affairs of the Libyan General People's Committee. Garcia Frias is paying an official visit to Tripoli in connection with the preparatory activities of the six nonalined countries summit conference to be held in Havana next September. During the talks the two leaders also discussed matters related to the development of bilateral relations.

CHEMICAL INDUSTRY MINISTER RECEIVED BY PAKISTANI PRESIDENT

FL301333 Havana Domestic Service in Spanish 1100 GMT 30 Jul 79 FL

[Text] In Islamabad, capital of Pakistan, President Ziaul Haq has received Cuban Chemical Industry Minister Antonio Esquival Yedra, who delivered a message from Cuban Councils of State and Ministers President Fidel Castro. Esquivel briefed several Pakistani officials on the preparations for the sixth nonalined countries summit conference and discussed matters dealing with the bilateral relations.

Pakistani Minister Holds Talks

FL281547 Havana Domestic Service in Spanish 1536 GMT 28 Jul 79 FL

[Text] Agha Shahi, Pakistan's minister of state for foreign affairs, has received Cuban Chemical Industry Minister Antonio Esquivel who is making a working visit to that country. Their talk dealt with the forthcoming nonalined countries sixth summit conference and Cuban-Pakistani relations.

ENVOY TO LEBANON EXPRESSES CONDOLENCE CONCERNING PLO DEATH

FL271546 Havana Domestic Service in Spanis 1525 GMT 27 Jul 79 FL

[Excerpt] Alberto Velazco San Jose, Cuban ambassador to Lebanon, has expressed his condolences to the Palestinian resistance for the assassination of Zuhair Mohsen, chief of the PLO military department. Mohsen, who was also a leader of the Al-Saiqa organization, was wounded by a bullet in France and his death has caused serious repercussions in Lebanon where it has been called a crime against the Palestinian people.

CASTRO RECEIVES ANNIVERSARY MESSAGE FROM SOVIET LEADERS

FL301224 Havana Domestic Service in Spanish 1045 GMT 30 Jul 79 FL

[Text] Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, has received a message from Soviet leaders Leonid Brezhnev and Aleksey Kosygin on the occasion of the anniversary of the Assault on the Moncada Barracks. On the occasion of Cuba's revolutionary festivity, the 26th anniversary of the national rebellion, we send to the Cuban communists and the fraternal Cuban people our warm greetings and cordial congratulations, Brezhnev's and Kosygin's message states. Elsewhere in the message the Soviet leaders note with satisfaction the deepening and growth of cooperation between the USSR and Cuba in all spheres and wish Fidel and all our people new and greater gains in the noble struggle for the ideals of peace and social progress.

BRIEFS

TWO COOPERATIVES--With the establishment of two new production cooperatives in Mariel Municipality the National Association of Small Farmers--ANAP--of Havana [Province] has fulfilled its pledge to salute 26 July with 5 new organizations of this type, which brings to 16 the number of cooperatives in the province. The two new cooperatives are called "Celestino Moreno" and "Vicente Alvarez". Both are part of the Sandino plant [not explained] and have 19 and 26 caballerias of land, respectively, devoted to raising sugarcane. The initial patrimony contributed by the 35 associates of "Celestino Moreno" approaches 120,085 pesos, while that of "Vicente Alvarez" is 97,564 pesos. [Text] [Havana Domestic Service in Spanish 1000 GMT 25 Jul 79 FL]

PNC OFFICIALS DENOUNCE COUNTERREVOLUTIONARY ACTIONS

FL301015 Bridgetown ADVOCATE-NEWS in English 25 Jul 79 p 3 FL

[Excerpts] Georgetown, Guyana, 24 Jul (CANA)--Top officials of the ruling Peoples National Congress (PNC) charged Sunday night that counter-revolutionary elements were at work in Guyana with external support. The charge came at a public meeting sponsored by the PNC in Georgetown, at which main speakers were Minister of Economic Development and Co-Operatives Desmond Hoyte, and Ranji Chandisingh, both Central Executive members. Main subject was the July 11 bombing and destruction by fire of two large government buildings in Georgetown, one housing the PNC's Secretariat. Both Mr. Hoyte and Mr. Chandisingh levelled thinly-veiled accusations against the Working Peoples Alliance (WPA) of being behind the attack, and hit out at the organisation.

Two senior WPA members, historian Dr. Walter Rodney and university lecturer Dr. Rupert Roopnarine, along with nutrition consultant Dr. Omawale, have been charged with arson in connection with the matter. But Mr. Hoyte called on party supporters to be disciplined and warned them not to run off "and do your own thing." He said the "enemy" wanted incidents such as the brief eruption of street violence two Saturdays ago which left a Jesuit priest dead and two other persons injured. "We need now to be vigilant, to ensure those who want the society to return to the communal strife of the sixties do not succeed," Mr. Hoyte stated.

He said the ruling party would maintain peace because "we are strong" and "real power is exercised in a quiet and effective way." He added that if opposition forces wanted to meet them in debate, the PNC would meet them in debate; but if they wanted to resort to arms, they would be met at that level. The meeting signalled clearly that the ruling party has begun its own campaign of taking its side to the public. Another public meeting is scheduled for this Thursday. The WPA itself has begun such an exercise, the first meeting taking place last Friday when it called on the government to make way for a caretaker administration.

Tough language is passing between the two organisations at these meetings. Mr. Chandisingh spoke of "frauds masquerading as some sort of an alliance," while Mr. Hoyte singled out several members of the alliance leadership for strong attack. Mr. Chandisingh, a former top lieutenant of opposition leader Dr. Cheddi Jagan declared that the ruling party was becoming a target "of counter revolutionary bandits in our midst who have dared to raise their hands in violence and in counter-revolution." There were internal enemies, apart from the external enemy of "imperialism," because sweeping changes taking place were regarded by them as distasteful, he said.

WORKING PEOPLE'S ALLIANCE TO BECOME POLITICAL PARTY

FL272004 Kingston Domestic Service in English 1930 GMT 27 Jul 79 FL

[Excerpts] The leftwing Working People's Alliance of Guyana will this evening announce its transformation into a political party after 5 years as a pressure group. The alliance has begun distributing leaflets in Georgetown explaining that the announcement will be formally made at a public meeting in the city. It further said that its official program titled "For a Revolutionary Socialist Guyana" has already been (?passed) and work has begun on party regulations. The alliance is currently engaged in a war of words with the ruling PNC [People's National Congress]. This followed the bombing and destruction by fire of two government buildings earlier this month. Two top alliance members, Dr Rupert Roopnarine and Dr Walter Rodney, have been jointly charged with arson in connection with the incident.

BOLIVIA

FINAL ELECTION FIGURES RELEASED; SILES ZUAZO DECLARED WINNER

PY310337 Buenos Aires LATIN in Spanish 0301 GMT 31 Jul 79 PY

[Excerpts] La Paz, 30 Jul (LATIN)--Leftist presidential candidate Hernan Siles Zuazo has been declared the winner tonight in the general election held on 1 July. According to the final decision of the National Electoral Court, Siles Zuazo won by only 1,512 votes over the center-oriented Victor Paz Estenssoro, who finished second. The overall results of the final counting released tonight are:

1. Hernan Siles Zuazo (Democratic and Popular Unity) 528,696 votes.
2. Victor Paz Estenssoro (National Revolutionary Movement) 527,184 votes.
3. Hugo Banzer Suarez (Nationalist Democratic Alliance) 218,587 votes.

COLOMBIA

GOVERNMENT REFUSES TO REPLACE AMBASSADOR TO NICARAGUA

PA252326 Paris AFP in Spanish 2011 GMT 25 Jul 79 PA

[Text] Bogota, 25 Jul (AFP)--Colombia refused today to replace its ambassador to Nicaragua, as had been requested by the new government junta, and rejected any interference in its foreign policy. This statement was made by Diego Uribe Vargas when he revealed that Violeta Chamorro, a member of the junta of the Nicaraguan Government of National Reconstruction, announced the appointment of a new diplomatic representative to Colombia and at the same time requested that the Colombia ambassador in Managua be relieved. He also said that Chamorro had revealed that the Panamanian Government had replaced its ambassador to Managua at the request of the Nicaraguan Government and expected Colombia to do the same.

Foreign Minister Uribe said the Colombia ambassador to Managua had played a fruitful role "not only because of his respectful observance of the right to asylum, but because of the protection he granted to save the lives of many persecuted individuals." Uribe said emphatically: "We cannot allow any foreign intervention in our foreign service." He thereby ratified the position of Ambassador Oswaldo Rengifo in his post.

SENATOR SANTOFIMIO BOTERO TO BE JAILED

PA301703 Bogota Radio Sutatenza in Spanish 1200 GMT 30 Jul 79 PA

[Text] Within the next few hours, Senator and former Justice Minister Alberto Santofimio Botero will be jailed at the 10th Police Precinct. Today, he will ask the president of the Senate to lift his parliamentary immunity. He will simultaneously resign from the Liberal Party leadership. He told "Mundonoticia" yesterday that he would do so in order to not stain the good reputation of the liberal leadership with his presence. Because of his position as a senator of the republic, he will not be jailed in a common prison.

URBAN TRANSIT SECTOR THREATENS STOPPAGE

PA251734 Bogota Cadena Radial Super in Spanish 1100 GMT 25 Jul 79 PA

[Text] Bogota--The country's intercity transportation sector has asked the government for a 20-percent increase in rates as the only way to deal with the new fuel prices.

Don Miguel Valencia Cossio, adviser of the Transportation Association [Asociacion de Transportadores--ASOTRAN], explained that the transportation union is willing to declare a nationwide stoppage to call the government's attention to the need for a solution to their problem.

DOMINICAN REPUBLIC

MINISTER SEES NEED TO PURGE FOREIGN SERVICE

PA310353 Madrid EFE in Spanish 2244 GMT 30 Jul 79 PA

[Text] Santo Domingo, 30 Jul (EFE)--Dominican Foreign Minister Vice Adm Ramon Emilio Jimenez Reyes said today that the recent case of the Dominican consul in Philadelphia accused of arms and cocaine trafficking accents the need to purge the country's foreign service. Expressing regrets over the case, the foreign minister said the Foreign Ministry will implement a plan to screen all applicants for diplomatic and consular posts.

Regarding the case of Consul Sandino Grullon, who is under arrest in Philadelphia on charges of smuggling arms to Nicaragua and cocaine trafficking, the foreign minister said the officer has denied the charges. Jimenez Reyes said he will send a delegation to Philadelphia to obtain full details on Grullon's arrest. He said he has already received the U.S. authorities' report on the case.

124 NICARAGUANS SEEK REFUGE IN MANAGUA EMBASSY

PA261225 Paris AFP in Spanish 0042 GMT 26 Jul 79 PA

[Text] Santo Domingo, 25 Jul (AFP)--Dominican Foreign Secretary Vice Adm Ramon Emilio Jimenez, Jr announced here today that 124 militarymen and civilian officials of Anastasio Somoza's ousted regime have sought asylum in the Dominican Embassy in Managua. The group reportedly sought refuge there after Somoza left Nicaragua. According to Jimenez, many refugees enter the Dominican Embassy daily, apparently afraid of being the object of reprisals. Jimenez also announced that Dominican President Silvestre Antonio Guzman has recalled Ambassador Tancredo Duluc but did not disclose the reason. Regarding his possible candidacy to the post of OAS secretary general, Jimenez said the support he has been receiving has been channeled in the form of support for the Dominican Government's policies.

PERU

MARXIST-LENINIST GROUPS FORM ANTI-IMPERIALIST FRONT

PA272255 Lima EL COMERCIO in Spanish 23 Jul 79 p 4 PA

[Text] Six Marxist-Leninist organizations recently organized a new front called the Anti-Imperialist Revolutionary Forces for Socialism [Fuerzas Revolucionarias Anti-imperialistas por el Socialismo--FRAS], in addition to other leftist fronts which already exist in the country such as the Popular, Student, Peasant and Worker Front (FOCEP) and the Popular Democratic Union (JDP). The organizations which formed FRAS are the Peruvian Communist Party (PCP) (majority), the Socialist Revolutionary Action (ARS), the Socialist Revolutionary Party (PSR-ML), the Committee of Revolutionary Organizations (COR), the Movement of the Revolutionary Left (MIR) (militant) and the Revolutionary Left Front (FIR-ML).

PSR-ML leader Carlos Urrutia said yesterday that FRAS does not intend to include POCEP and UDP in its ranks. Instead, it plans to join them in establishing a single revolutionary front under a middle-road democratic platform. According to Urrutia, FRAS has made a serious analysis of the leftist movement's previous experience and hopes to amend mistakes which have been made by forming fronts without programs but based on candidates. Urrutia added that this was precisely the case of POCEP and UDP, which were created as electoral fronts. Their internal problems are the result of their not having strategic or tactical programs. He said that the leftist organizations in FRAS consider that the political groups fighting over revolutionary leadership have major faults which stand in the way of the revolution and prevent real leadership. "We have found out that sectarianism, opportunism and demagogery have been determining factors in the permanent crisis faced by the Peruvian left and also that these groups have not made an honest self-analysis to eliminate these faults," Urrutia indicated.

He said that a solution to the political crisis is to have effective and militant unity that the organizations in a short time can build into a decisive force with the people in the struggle for national and social liberation. "Our immediate goal is to form a revolutionary bloc of Marxist-Leninist Organizations that will struggle to establish a people's revolutionary front as part of the strategic front," Urrutia pointed out. He added that in this respect they hope to establish a theoretical and practical unity of political organizations which will engage in joint action for national and social liberation, systematic and scientific interpretation of Peru's problems, and a tenacious and permanent struggle against imperialism and internal agents.

VENEZUELA

HERRERA SAYS NO DANGER TO FREEDOM OF THE PRESS

PA310337 Mafrid EFE in Spanish 2124 GMT 30 Jul 79 PA

[Text] Caracas, 30 Jul (EFE)--President Luis Herrera Campins has said the press in Venezuela has absolutely no need to fear for its freedom. The president's statement came 2 days after Culture Minister Guillermo Yepez Boscan said that "the press, television and radio will be regulated so that they fulfill their purpose of giving the people information and cultural services." The culture minister's words generated a serious dispute in high government circles and editorial comments by various dailies.

Luis Teofilo Nunez, chairman of the Venezuelan Press Association, voiced a most emphatic rejection of the government's announcement and said he would take the case to the Inter-American Press Association in the next few days. Former Tourism and Information Minister Celestino Armas said the statement by the culture minister was a symptom of "fascism" and the public should be on the alert. Information and Tourism Minister Jose Luis Zapata said it was possible that his colleague had been misquoted, since the government's plans do not include " regulating" mass media in any manner.

In order to put an end to the dispute, President Herrera Campins emphasized in a brief statement today to journalists that "freedom of expression and thought have nothing, absolutely nothing, to fear from my administration." "You heard me," the president emphasized, "at the Latin American newsmens congress, when I came out emphatically in defense of freedom of the press, above even freedom of enterprise, and I also recalled the struggles I have waged on that front."